

Hendricks County, Indiana
2007 Pay 2008 Budget Order

An analysis of the data with the 2007 Pay 2008 Budget Order for Hendricks County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Hendricks County has two cross-county units. Hendricks is the major county for the West Central Solid Waste District (minor: Morgan, Putnam, Parke, Montgomery). Hendricks is the minor county for Jamestown Civil Town (major: Boone).

Hendricks County has two conservancy districts, West Central Conservancy District and Amocoatsville Conservancy District. A Conservancy District is a special taxing district created to provide flood control, irrigation, potable water or wastewater service within a specified area. The cost of providing these services are charged to landowners in the form of a special assessment based on the benefit provided. These special assessments are added to the property tax bill of each landowner and collected along with property taxes. Since the benefit derived may not relate to the assessed value of the property, these assessments are normally expressed in terms of dollars of assessment and not as a tax rate per \$100 of net assessed value. Therefore, the Conservancy District special assessment has not been included in this analysis.

Changes in Local Tax Levies

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net increase in tax levy for Pay 2008 on a county-wide basis was approximately \$10.2 million or 5.42%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar increase in levy was due to the Avon Community School Corporation (\$4,157,383).

Hendricks County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Loan and Interest	\$1,913,859	\$690,400	-1,223,459	-63.93%
Lease Rental Payment	755,077	377,312	-377,765	-50.03%
Children's Psychiatric Res Treatment	22,428	32,112	9,684	43.18%

Hendricks County Welfare

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Welfare - Family and Children	\$1,166,258	\$1,172,075	\$5,817	0.50%

Total County levy decreased by \$1,123,362 or 5.27%.

Middle Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Emergency Fire Loan	\$277,261	\$378,589	\$101,328	36.55%

Total Township levy increased \$106,838 or 12.49%.

Washington Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Fire Equipment Debt	\$2,032,930	\$572,980	-1,459,950	-71.82%
Emergency Fire Loan	-0-	2,101,671	2,101,671	-%

Total Township levy increase of \$1,134,318 or 25.45%. Township emergency loan approved for 2008.

Brownsburg Civil Town

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Fire Building Debt	\$2,194,221	\$1,329,646	-\$864,575	-39.40%
Fire Territory - General	4,471,000	4,639,186	168,186	3.76%
Fire Territory - Equipment	371,141	396,913	25,772	6.94%

Total Town levy decrease of \$259,635 or 2.35%.

Plainfield Civil Town

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$4,942,022	\$5,153,586	\$211,564	4.28%
Park Bond	2,710,844	1,076,637	-1,634,207	-60.28%

Total Town levy decrease of \$1,075,201 or 9.48%.

Avon Community School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$15,470,419	\$17,116,246	\$1,645,827	10.64%
Bus Replacement	1,030,261	1,644,657	614,396	59.63%

Total School levy increase of \$4,157,383 or 10.10%. Bus Replacement levy increased to meet anticipated needs for replacement of aging fleet. School General Fund received a new facility appeal for 2008 in the amount of \$465,056.

Danville Community School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$4,000,920	\$4,451,116	\$450,196	11.25%
Debt Service	3,258,986	4,917,753	1,658,767	50.90%

Total School levy increase of \$2,180,396 or 20.31%. School approved for \$550,000 of GO Bonds in 2007, with payments beginning in 2008. School approved for lease in 2006 for over \$17M. Payments begin in 2008.

Plainfield Community School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$8,096,769	\$9,719,235	\$1,622,466	20.04%
School Pension Debt	401,293	511,877	110,584	27.56%

Total School levy increase of \$2,448,000 or 10.62%. School General Fund received a new facility appeal for 2008 in the amount of \$856,519.

No units in the County exceeded the working maximum levy. All units in the County levied up to or near their working maximum levy.

No units in the County exceeded the normal statutory growth rate for controlled fund levies.

Changes in Real Property Gross Assessed Values

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	38.48%
Industrial	0.63%
Commercial	7.67%
Residential	-3.15%
Exempt	181.53%
Utility	16.30%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2007 Ratio</u>	<u>2008 Ratio</u>
Agriculture	1.17%	4.50%
Industrial	9.61%	9.12%
Commercial	14.72%	14.95%
Residential	72.12%	65.88%
Exempt	1.88%	4.99%
Utility	0.50%	0.55%

As can be seen from the analysis, a shift from residential and industrial to agricultural, commercial, exempt, and utility property occurred. This shift was approximately 6.71%.

Change in Net Tax Rates

Changes in net tax rate by district were as follows.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Levy</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
BROWN TOWNSHIP	4.61%	-4.27%	-8.49%	-9.14%	-9.53%	-15.26%
CENTER TOWNSHIP	5.36%	11.90%	6.20%	8.40%	9.81%	2.82%
DANVILLE TOWN	10.40%	14.30%	3.53%	4.97%	6.82%	-2.31%
EEL RIVER TOWNSHIP	14.31%	14.17%	-0.12%	1.15%	1.31%	-9.82%
NORTH SALEM TOWN	-2.87%	0.37%	3.33%	4.77%	5.61%	-10.90%
FRANKLIN TOWNSHIP	15.80%	12.33%	-3.00%	-2.30%	-2.08%	-11.29%
STILESVILLE TOWN	5.38%	3.68%	-1.61%	-0.77%	-0.13%	-11.16%
GUILFORD TWP	1.46%	2.68%	1.21%	1.11%	1.45%	-7.26%
PLAINFIELD TOWN	7.51%	2.68%	-4.49%	-5.29%	-4.94%	-13.50%
LIBERTY TOWNSHIP	7.40%	4.50%	-2.70%	-1.96%	-1.78%	-10.91%
CLAYTON TOWN	1.86%	0.13%	-1.70%	-0.91%	-0.35%	-12.29%
LINCOLN TOWNSHIP	11.28%	1.99%	-8.35%	-8.99%	-9.36%	-15.09%
BROWNSBURG TWN	15.17%	3.54%	-10.10%	-10.78%	-11.01%	-17.75%
MARION TOWNSHIP	12.26%	19.48%	6.43%	9.01%	10.50%	3.20%
MIDDLE TOWNSHIP	2.94%	3.83%	0.87%	2.19%	2.26%	-7.17%
PITTSBORO TOWN	14.45%	14.04%	-0.35%	0.57%	0.95%	-9.12%
UNION TOWNSHIP	3.64%	4.07%	0.42%	1.82%	1.87%	-9.16%
LIZTON TOWN	-3.75%	-1.48%	2.35%	3.73%	4.33%	-10.28%
WASHINGTON TOWNSHIP	4.84%	9.25%	4.21%	5.49%	5.81%	-0.89%
CLAY TOWNSHIP	10.47%	7.13%	-3.02%	-2.39%	-2.17%	-11.34%
AMO TOWN	-4.95%	-5.44%	-0.51%	0.36%	0.86%	-11.40%
COATSVILLE TOWN	2.49%	0.58%	-1.86%	-1.18%	-0.52%	-12.85%
BROWNSBURG - BROWN TWP	11.30%	0.03%	-10.12%	-10.80%	-11.04%	-17.78%
PLAINFIELD - WASHINGTON TWP	2.72%	0.17%	-2.49%	-2.27%	-1.83%	-9.61%
BROWNSBURG - MIDDLE TWP	1.59%	-3.42%	-4.93%	-4.76%	-4.70%	-14.55%
PLAINFIELD - LIBERTY TWP	0.32%	-7.17%	-7.47%	-7.95%	-7.38%	-16.61%
EEL RIVER - JAMESTOWN	29.84%	31.44%	1.23%	2.54%	4.05%	-7.35%
AVON	4.19%	11.26%	6.79%	8.26%	8.71%	1.00%

PITTSBORO - BROWN TWP	29.63%	18.89%	-8.28%	-8.28%	-9.35%	-16.28%
DANVILLE - WASHINGTON TWP	n/a	n/a	n/a	n/a	n/a	n/a
Average	7.38%	5.42%	2.04%	3.05%	2.96%	-6.58%

Downward pressure on tax rates came from increases in Assessed Value due to trending and the increased Homestead Credit rate. Upward pressure on tax rates came from increases in tax levies, especially debt levies that don't benefit from PTRC.

The estimated reduction in net homestead tax bills for Hendricks County is 12.47%.

Assessment Status

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Property Class	Percent of Parcels with Identified Assessed Valuation Change					
	<u>Decrease</u>	<u>No Change</u>	<u>0 – 10% Increase</u>	<u>10 – 30% Increase</u>	<u>30 – 100% Increase</u>	<u>More Than Doubled</u>
Commercial	47.2%	2.4%	13.2%	11.1%	13.4%	12.6%
Industrial	31.7%	10.9%	30.4%	6.8%	7.2%	13.0%
Residential	26.8%	6.8%	31.9%	21.5%	5.3%	7.7%
Overall	27.7%	6.7%	31.1%	20.9%	5.7%	8.0%

TIF Neutralization Worksheets

The County has several Tax Increment Areas. A Tax Increment Financing (TIF) Neutralization Worksheet must be completed for each TIF District in order to calculate tax increment generated by real property growth rather than increases in assessed valuation due to reassessment or trending. The TIF Neutralization Worksheets were reviewed for both numerical accuracy and for logical analysis and completeness.